**Chuan Holdings Limited**

**川控股有限公司** *

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 1420)**

# ANNOUNCEMENT OF ANNUAL RESULTS FOR THE YEAR ENDED 31 DECEMBER 2024

The board (the "**Board**") of directors (the "**Directors**") of Chuan Holdings Limited (the "**Company**") is pleased to announce the annual results of the Company and its subsidiaries (collectively, the "**Group**") for the year ended 31 December 2024 (the "**Year**" or "**Reporting Year**" or "**2024**").

## OVERALL PERFORMANCE

With an illustrious heritage spanning more than two decades, the Group has established itself as one of Singapore's most pre-eminent and trusted earthworks contractors, known for its unwavering pursuit of excellence in every undertaking. The Group's enviable reputation is a product of its consistent execution of time-sensitive, dependable, premium-calibre services, anchored by a firm dedication to ethical business practices and exceptional craftsmanship. A steadfast commitment to safety protocols and regulatory adherence is at the very core of the Group's operational ethos, demonstrating its laser focus on maintaining superlative industry standards throughout its project portfolio. Through meticulous attention to detail, adherence to stringent quality protocols, and the relentless pursuit of operational excellence, the Group continues to set industry benchmarks while fostering enduring client relationships built on trust and demonstrated competence.

* *For identification purposes only*

During the Reporting Year, the global economy saw measured growth amid a complex interplay of challenges and resilience. Singapore demonstrated remarkable economic vitality, achieving substantial expansion driven by a very strong performance in its trade, financial services and manufacturing sectors – a testament to its established position as a premier global financial centre and the sophistication of its technological infrastructure. The country's construction sector, in particular, achieved robust growth and demonstrated operational resilience, underscoring a compelling recovery narrative and reinforcing its pivotal role in Singapore's economy. The strategic convergence of these developments, coupled with Singapore's sustained competitive advantages in key sectors, reflects the country's ability to navigate complex market dynamics while maintaining its growth momentum.

The Group's strategic emphasis on pursuing large-scale infrastructure projects and optimising operational efficiency has yielded substantial returns, as demonstrated by its robust financial performance during the Reporting Year. This success has been further amplified by opportunities emerging from the resurgence in construction activity. In strengthening its competitive position within Singapore's expanding construction landscape, the Group has implemented a comprehensive suite of strategic initiatives, including competitive bid pricing, a strategic reduction in subcontractor dependency, the enhanced utilisation of in-house expertise and resources, the creation of rigorous post-project evaluation frameworks, and the integration of analytics-driven insights for strategic tender pricing. The Group's dedication to nurturing collaborative partnerships with clients has strengthened relationships and produced superior project deliverables. Its strategic approach culminated in the Group generating revenue of approximately S$143.8 million during the Reporting Year, representing a significant year-on-year increase of approximately 19.0%. Diversifying its operations, the Group ventured into the property investment sector, yielding revenue of approximately S$7.1 million, which accounted for approximately 4.9% of the Group's total revenue. The earthworks and ancillary services segment played a significant role in this substantial revenue growth, with segment revenue climbing to approximately S$97.4 million during the Reporting Year, up from approximately S$84.4 million as of 31 December 2023. This performance testifies to the efficacy of the Group's strategic initiatives and demonstrates its proficiency in leveraging market opportunities while sustaining operational excellence.

Confronted with mounting operational challenges – particularly rising labour and material costs – the Group executed a sophisticated suite of cost optimisation measures that demonstrated its operational agility and strategic foresight. Its four-pronged approach saw the deployment of advanced workforce productivity protocols, the integration of cutting-edge digital infrastructure solutions, the adoption of innovative prefabricated construction technologies, and targeted investments in workforce development programmes. This multi-dimensional approach, synergised with enhanced revenue generation from the high-margin general construction works segment, delivered an outstanding financial performance. The Group recorded a gross profit of approximately S$19.0 million and a net profit attributable to owners of the Company of approximately S$8.1 million, representing remarkable year-on-year growth of approximately 120.7% and 150.9%, respectively. The Group's financial strength was further reinforced by substantial improvements in key performance indicators, with its gross profit margin rose to approximately 13.2% from approximately 7.1% for the previous year, and its net profit margin grew to approximately 5.7% from approximately 2.7%, showing clearly the effectiveness of the Group's strategic initiatives and demonstrating its ability to maximise value creation despite challenging market conditions.

During the Reporting Year, the Group leveraged its formidable industry reputation and professional expertise to secure an impressive portfolio of 29 projects, notably Electrical Substation at Jurong Pier Road, awarded by SP PowerAssets Limited with a contract value of approximately S$52.6 million across critical fields including public infrastructure initiatives, residential developments and industrial complexes. This significant achievement was augmented by the Group's attainment of prestigious A2-grade contractor status under the Singapore's Building and Construction Authority ("**BCA**"), a coveted certification in both civil engineering and general building segments that has markedly enhanced the Group's ability to undertake and execute large-scale, high-value projects. The quality of the Group's exceptional project portfolio was highlighted by two landmark achievements: the innovative design and construction of noise barriers commissioned by the Singapore's Land Transport Authority and the comprehensive infrastructure development in Toa Payoh West awarded by the Singapore's Housing & Development Board ("**HDB**"). These prestigious project acquisitions not only showcase the Group's technical prowess and project execution excellence, but also cement its strategic market position, underscoring its capacity to deliver complex, high-profile projects while maintaining robust long-term profitability and strengthening its leadership position in Singapore's dynamic construction sector.

The Group is strategically positioned to capitalise on the continuously evolving opportunities in Singapore's property investment market, with an emphasis on harnessing opportunities across the residential and commercial sectors while reinforcing its dedication to sustainable development through advanced construction productivity initiatives. Drawing upon its considerable expertise, the Group has established a strategic focus on the resilient landed property segment and the premium grade-A office market, which continues to demonstrate remarkably stable occupancy rates despite global economic uncertainties. The Group's strategic approach is neatly aligned with Singapore's well-regulated market and pragmatic government policies, ensuring optimal returns while effectively managing investment risks. A cornerstone of the Group's operational development is its implementation of Design for Manufacture and Assembly technologies, exemplified by its state-of-the-art off-site pre-casting of concrete and structural steel components. This technological integration, coupled with the Group's deep market intelligence, facilitates its precise identification of value-generating opportunities across the residential, commercial and industrial segments, with a particular focus on areas benefitting from the burgeoning digital economy and logistics industries. The Group's commitment to excellence is further demonstrated by its implementation of comprehensive training programmes and strategic initiatives, including sophisticated tender pricing strategies, the increased adoption of prefabrication and modular construction techniques, strategic investments in advanced machinery and equipment such as automated noise barrier installers, and the enhanced utilisation of Building Information Modelling ("**BIM**") for superior project planning, coordination and team communication. By bringing together the best of local market expertise, international investment standards and cutting-edge construction methodologies, the Group is well-positioned to deliver exceptional stakeholder value while contributing significantly to Singapore's ongoing evolution as a premier investment hub in the Asia-Pacific region, all while maintaining its commitment to sustainable, efficient construction practices.

In alignment with Singapore's buoyant construction sector outlook, the Group has strategically diversified into property redevelopment initiatives, fortifying its market presence while implementing comprehensive risk mitigation measures. Leveraging its acclaimed project management capabilities, coupled with the expertise of its tender evaluation team and extensive operational resources, the Group is in an advantageous position to pursue and secure significant infrastructure development opportunities. This strategic trajectory not only reinforces the Group's established market leadership, but also ensures sustainable long-term growth in the dynamic construction industry, positioning it for continued success in executing complex, high-value projects that contribute to Singapore's infrastructure development.

## INDUSTRY REVIEW

The global economy in 2024 was characterised by a complex mix of resilience and challenges, with worldwide growth reaching 3.1% amid persistent headwinds and evolving market dynamics. Although this figure fell short of initial projections, it demonstrated the world economy's fundamental strength in navigating multifaceted challenges. Regional economies diverged markedly, with advanced European economies recording modest 0.8% growth, reflecting structural impediments and monetary policy constraints, while key Asian markets experienced varying degrees of economic moderation.

Against this backdrop, Singapore emerged as a beacon of economic vitality, achieving an impressive 4.4% rate of growth, according to the Singapore's Ministry of Trade and Industry ("**MTI**"), substantially outperforming many developed economies. This robust performance was underpinned by strong showings in the trade, finance and manufacturing sectors, with the nation's strategic position as a global financial hub and its advanced technological infrastructure playing pivotal roles. The country's economic resilience was particularly noteworthy given the complex interplay of inflationary pressures, digital transformation imperatives and ongoing supply chain recalibrations. Singapore's ability to exceed initial growth projections while maintaining operational stability amid challenging global conditions underscores its sophisticated economic framework, adaptive policy mechanisms and strategic foresight in capitalising on emerging opportunities in the digital economy and sustainable development sectors.

Singapore's construction industry demonstrated remarkable vitality and resilience during 2024, achieving substantial real growth of 3.3%, underscoring its robust recovery and strategic importance to the country's economy. The sector's impressive performance was catalysed mainly by an unprecedented surge in construction contracts, which drove total construction demand to a record-breaking S$44.2 billion, significantly exceeding the BCA's revised mid-year forecast of S$35 billion. This exceptional growth trajectory was further highlighted by a 34.1% year-on-year increase in construction contract values during the first three quarters of the Year, complemented by an 8.2% year-on-year rise in progress payments, reflecting enhanced project execution efficiency and improved cash flow management across the industry. The sector's robust performance can be attributed to a confluence of factors, including accelerated public infrastructure development initiatives, sustained private sector investment in commercial and residential projects, and the successful implementation of industry transformation measures focusing on productivity enhancement and technological adoption. This remarkable growth not only demonstrates the sector's fundamental strength and adaptability, but also positions it as a crucial driver of Singapore's economic diversification strategy and sustainable urban development agenda, while providing a solid foundation for continued expansion in the coming years.

Singapore's construction landscape underwent a remarkable transformation in 2024, marked by the implementation of "Industry 5.0" technologies across several landmark infrastructure projects, as highlighted in a comprehensive joint report by construction-focused software supplier Autodesk and Deloitte. The ambitious Changi Airport Terminal 5 development, covering around 1,080 hectares, demonstrated unprecedented technological integration, incorporating artificial intelligence ("**AI**")-driven construction management systems, autonomous construction vehicles and advanced BIM solutions to optimise the projected S$10 billion development. The Cross Island Mass Rapid Transit Line – Singapore's longest fully underground line, stretching 50 kilometres and featuring 12 interchange stations – showcased cutting-edge tunnelling technologies and digital-twin implementations for precise underground construction monitoring. The Marina Bay Sands expansion project, valued at S$4.5 billion, utilised revolutionary prefabrication techniques and smart construction methodologies to advance the development of its new luxury hotel tower and state-of-the-art entertainment facilities. These megaprojects were complemented by extensive public housing initiatives, including the ambitious development of the Greater Southern Waterfront and the Paya Lebar Air Base redevelopment, which leveraged the newly introduced CORENET X platform – a groundbreaking digital ecosystem that will be mandatory for projects exceeding 30,000 square meters from October 2025. The platform's integration, coupled with streamlined regulatory processes achieving a 20% reduction in project approval times, have revolutionised project execution efficiency. This technological renaissance was further supported by strategic government initiatives, including enhanced Productivity Solutions Grants and flexible Additional Buyer's Stamp Duty policies, establishing Singapore as a global leader in construction innovation and sustainable urban development, while the successful implementation of its super-scale projects stands as a testament to the country's commitment to building a future-ready, sustainable cityscape.

Property investment in Singapore demonstrated remarkable resilience and growth in 2024, with total investment sales reaching S$26.6 billion, a substantial 32.5% increase from the previous year. The private residential market maintained steady momentum, registering moderate 1.4% price growth during the first quarter, albeit a slower pace of expansion than the preceding quarter's 2.8% rise. Notably, the landed property segment performed consistently, with 2.6% price appreciation during the first quarter of 2024, easing from the preceding quarter's 4.6% increase. Market stability was supported by balanced regulatory oversight, pragmatic government policies and Singapore's established reputation as a reliable investment destination. In the commercial sector, grade-A office spaces maintained healthy occupancy rates, despite global economic headwinds, while the industrial property segment experienced steady demand, driven by the expansion of digital economy and logistics sectors. The property market's performance reflects Singapore's continued appeal as an investment destination in the Asia-Pacific region, attracting sustained interest from international investors across both the commercial and residential segments within the framework of existing market regulations. This measured growth pattern is evidence of a well-regulated market environment that balances development opportunities with sustainable long-term objectives.

Singapore's labour market exhibited notable stability and adaptability throughout 2024, particularly through its strategic integration of AI across diverse economic sectors. The employment market added 45,500 positions, a strategic realignment following 78,800 in 2023 that reflected calculated market evolution concurrent with the accelerated adoption of AI and automation. The consistent unemployment rate of just 1.9% underscored Singapore's proficiency in managing workforce transitions during this period of technological advances, ensuring minimal employment disruption. Singapore's systematic approach to AI integration has been distinguished by comprehensive reskilling initiatives emphasising core competencies in AI literacy, machine learning applications and advanced data analytics. Central to this transformation has been the government's National AI Strategy 2.0, which has established a robust framework supporting organisational AI adoption while safeguarding workforce interests through targeted training programmes and implementation incentives. The deployment of sophisticated, AI-driven platforms incorporating intelligent job-matching systems, workforce analytics and skills assessment mechanisms has fostered a harmonious balance between technological progress and market stability. Singapore's strategic investment in cross-sector AI capabilities, complemented by forward-thinking labour policies, exemplifies a balanced trajectory towards technological advances and sustainable employment. This systematic integration of AI and preservation of employment stability establishes Singapore as a global exemplar in successful technological adoption in workforce development, illustrating the synergies achievable by combining innovation and employment security in contemporary economies.

The Group has demonstrated considerable strategic acumen in navigating Singapore's reinvigorated construction landscape, employing a sophisticated, multifaceted approach to operational excellence and market leadership. Through its use of advanced market analytics and real-time intelligence platforms, the Group has maintained exceptional responsiveness to industry dynamics, while simultaneously fortifying its market position through precision-based resource deployment and risk-calibrated decision-making protocols. The Group's operational agility is augmented by substantial investments in its digital transformation, facilitating swift adaptations to market changes and capitalising on emerging opportunities across diverse construction verticals. This dynamic operational framework, coupled with rigorous quality assurance systems and innovative project management methodologies, has not only consolidated the Group's market prominence, but has also established new benchmarks for industry excellence.

**Revenue by Segment**

***Earthworks and Ancillary Services***

During the Reporting Year, the earthworks and ancillary services segment remained the Group's core revenue generator, demonstrating its continued strategic centrality to the Group's operational portfolio. The segment contributed approximately 67.8% to total revenue, amounting to approximately S$97.4 million and representing an approximately 15.4% increase from approximately S$84.4 million recorded in the financial year ended 31 December 2023. This revenue enhancement is attributable mainly to the Group's exemplary project execution and robust delivery capabilities, which are strategically aligned with the sustained recovery and stabilisation of Singapore's construction sector.

As of 31 December 2024, the Group was engaged in a total of 72 ongoing earthworks and ancillary services projects. During the Reporting Year, it successfully secured 26 new projects in the segment with a total combined contract value of approximately S$122.0 million. The Group's achievement in securing these significant public infrastructure projects reflects its sophisticated tender strategy and agile market responsiveness. This success underscores the Group's enhanced competitive positioning and its ability to identify and capture high-value opportunities in the infrastructure development market, particularly projects offering superior profit margins and strategic growth potential.

### *General Construction Works*

The general construction works segment generated revenue of approximately S$39.2 million during the Reporting Year, marking a strategic increase from approximately S$36.4 million as of 31 December 2023. This positive revenue growth reflects the Group's successful execution of high-value projects and enhanced operational efficiency. The growth is primarily attributed to the successful completion of several significant milestones across major projects, optimised resource utilisation, and the Group's ability to secure premium contracts in the country's vibrant construction landscape. Such revenue pattern exemplifies the segment's advanced operational model, wherein project lifecycles and completion benchmarks are meticulously orchestrated to maximise financial performance across the Reporting Year. The Group's commitment to excellence manifests through its disciplined approach to project selection and execution, implementing advanced project management methodologies that ensure optimal resource allocation while effectively managing the inherent revenue cyclicality of project-based operations.

Throughout the Reporting Year, the Group was engaged in 10 ongoing general construction works projects. It secured 3 new general construction works projects in 2024 with a total combined contract value of approximately S$56.8 million. The Group's proven track record of operational excellence, combined with its sophisticated market intelligence capabilities, has been instrumental in securing these significant contracts, driving substantial revenue growth in the segment.

### *Property Investment*

During the Reporting Year, the Group achieved a transformative milestone through the acquisition of the entire equity interest in Hulett Construction (S) Pte. Ltd. ("**Hulett Construction**"), a company incorporated in Singapore with limited liability which is now an indirectly wholly-owned subsidiary of the Company, (the "**Acquisition**") a pivotal transaction that substantially enhanced both operational capabilities and financial position. The strategic acquisition was a multifaceted value proposition, facilitating comprehensive operational integration while securing purpose-built accommodation infrastructure for foreign workforce deployment, thereby achieving significant cost optimisation through the elimination of third-party housing dependencies. The strategic utilisation model of the property held by Hulett Construction, which is situated at 20 Senoko Drive, Singapore 758207, (the "**Property**") encompasses strategic surplus capacity leasing, generating stable recurring rental income and demonstrating the Group's commitment to efficient asset monetisation. The Acquisition has materially enhanced the Group's operational efficiency and expanded its revenue diversification strategy, capitalising on robust market demand for premium industrial spaces and worker accommodation facilities, ultimately contributing approximately S$7.1 million to the Group's consolidated revenue during June to December 2024.

The Property has emerged as a vital component within the Group's operational matrix, representing a seamless integration of corporate and operational capabilities. It exemplifies operational excellence through its comprehensive infrastructure matrix of advanced workforce accommodation solutions, expansive logistics facilities for the deployment of heavy equipment, and purpose-engineered production environments. This integrated operational hub stands as a testament to the Group's commitment to ongoing operational development and infrastructure optimisation, producing a synergistic environment that enhances operational efficiency and productivity. The transition to full property ownership represents a pivotal shift in the Group's operational model, yielding immediate and substantial operational cost optimisation while significantly enhancing its strategic agility. The Group's strategic control over its key infrastructure assets positions it advantageously for future expansion initiatives and operational scaling. The Property's prime location and comprehensive infrastructure ecosystem establish a formidable foundation for operational excellence and market leadership. Moreover, the Property's revenue-generating capabilities, strategically activated through selective tenancy arrangements, contribute to a robust financial architecture that reinforces the Group's market resilience and accelerates its growth trajectory.

## FINANCIAL REVIEW

### Results for the Year

#### *Revenue and Gross Profit*

| | **2024** | | | 2023 | | |
|---|---|---|---|---|---|---|
| | **Revenue recognised S$'000** | **Gross profit S$'000** | **Gross profit margin** | Revenue recognised S$'000 | Gross profit S$'000 | Gross profit margin |
| Earthworks and ancillary services | **97,434** | **14,425** | **14.8%** | 84,436 | 3,841 | 4.5% |
| General construction works | **39,225** | **3,205** | **8.2%** | 36,396 | 4,751 | 13.1% |
| Property investment | **7,091** | **1,329** | **18.7%** | – | – | – |
| **Total** | **143,750** | **18,959** | **13.2%** | 120,832 | 8,592 | 7.1% |

The total revenue of the Group for the year ended 31 December 2024 amounted to approximately S$143.8 million, representing a surge of approximately S$22.9 million or 19.0% as compared to the year ended 31 December 2023. The remarkable growth was primarily attributed to the sustained momentum in Singapore's construction sector, complemented by the Group's successful execution of strategic operational initiatives. The Group's revenue enhancement was driven by several key strategic implementations, including competitive bid pricing, a systematic reduction in subcontractor reliance, the maximisation of internal expertise and resource utilisation, the implementation of comprehensive post-project evaluation frameworks, and the deployment of analytics-driven tender pricing strategies. Furthermore, enhanced contribution from the earthworks and ancillary services segment significantly bolstered the Group's financial performance. As a result, the Group registered a substantial increase in gross profit, rising approximately 120.7% to reach approximately S$19.0 million (31 December 2023: approximately S$8.6 million). The gross profit margin also increased to approximately 13.2% (31 December 2023: approximately 7.1%), while the Group's profit for the Year amounted to approximately S$8.1 million (31 December 2023: approximately S$3.2 million).

***Earthworks and Ancillary Services***

During the Year, earthworks and ancillary services segment remained the primary revenue generator for the Group, accounting for approximately 67.8% of its total revenue. The exceptional performance was underpinned by the exemplary execution of higher-margin government agency projects, coupled with sophisticated project cost optimisation, and heightened operational excellence. Furthermore, the Group demonstrated strategic excellence through the sophisticated deployment of scale economies, characterised by precision-engineered resource allocation frameworks and the implementation of cutting-edge construction methodologies. This dual-pronged approach yielded substantial operational cost efficiency while simultaneously driving enhanced segment profitability. The segmental revenue experienced a year-on-year increase of approximately 15.4% to approximately S$97.4 million (31 December 2023: approximately S$84.4 million). Particularly noteworthy was the segmental gross profit, which exhibited remarkable growth, surging more than threefold to approximately S$14.4 million (31 December 2023: approximately S$3.8 million).

The Group successfully secured 26 new earthworks and ancillary services projects with a total contract value of approximately S$122.0 million during the Reporting Year, highlighting its distinguished project execution excellence and robust operational capabilities, strategically positioning it to capitalise on Singapore's construction sector's sustained recovery and stabilisation trajectory. The Group had a total of 72 ongoing earthworks and ancillary services projects during the Reporting Year, with an aggregate contract sum of approximately S$582.4 million.

***General Construction Works***

During the Reporting Year, the Group demonstrated exceptional operational prowess through the successful execution of high-value projects, achieving significant operational efficiency, and strategically securing premium contracts within the country's vibrant construction landscape. The Group's commitment to operational excellence manifested in the successful completion of multiple strategic milestones across major projects, coupled with sophisticated resource optimisation protocols. Financial performance metrics revealed segment revenue of approximately S$39.2 million, representing a strategic enhancement from approximately S$36.4 million as at 31 December 2023. Nevertheless, the segmental gross profit experienced a measured decline to approximately S$3.2 million (31 December 2023: approximately S$4.8 million), mainly due to elevated construction costs encompassing increased material and labour costs, combined with intensified market competition that resulted in compressed project margins.

During the Reporting Year, the Group maintained strategic oversight and operational excellence across 10 general construction works projects. Demonstrating its continued market leadership and business development capabilities, the Group successfully procured 3 new general construction works projects in 2024, commanding an aggregate contract value of approximately S$56.8 million.

***Property Investment***

During the Reporting Year, the Group achieved a significant milestone through its strategic acquisition of Hulett Construction, a crucial transaction that substantially augmented both operational capabilities and financial fundamentals. This segment contributed approximately S$7.1 million to the Group's consolidated revenue, underscoring the Acquisition's immediate value creation. The Group's strategic utilisation model encompasses strategic surplus capacity leasing, generating stable recurring rental income and demonstrating the Group's commitment to optimal asset monetisation. The segmental gross profit reached approximately S$1.3 million, primarily attributable to consistent rental income stream from the newly integrated property portfolio. The segment's impressive performance was underpinned by robust occupancy rates, effective tenant management and stringent cost control measures, all of which collectively ensured sustainable returns on investment.

**Other Income and Gains**

Other income and gains amounted to approximately S$3.2 million for the year ended 31 December 2024, representing a decrease of approximately S$0.8 million, as compared to the year ended 31 December 2023. Such decrease was mainly due to the decrease in gain on settlement of financial assets at fair value through profit or loss ("**FVTPL**") during the Reporting Year.

**Administrative and Other Operating Expenses**

During the Reporting Year, administrative and other operating expenses increased slightly by approximately 10.6% to approximately S$7.7 million (31 December 2023: approximately S$7.0 million). The increment was primarily attributed to enhanced human capital investments, encompassing both workforce expansion and market-competitive salary adjustments; augmented professional service fees driven by heightened regulatory compliance requirements and business growth initiatives; and increased depreciation and amortisation expenses resulting from the strategic acquisition and integration of new assets into the Group's expanding portfolio.

### Finance Costs

For the year ended 31 December 2024, finance costs increased to approximately S$2.0 million (31 December 2023: approximately S$237,000), primarily driven by the heightened interest expenses on bank borrowings, promissory note and lease liabilities, expanded financing requirements for the Acquisition and increased capital expenditure for machinery acquisition to support both secured and potential large-scale development projects.

### Share of Loss of Associates and Joint Venture

The Group's share of loss of associates and joint venture amounted to approximately S$568,000 and S$5,000 respectively during the Reporting Year (31 December 2023: share of loss of associates of approximately S$640,000). The loss was primarily attributable to the dual impact of significantly elevated interest rates on the bank loan secured for the Group's property redevelopment project, reflecting prevailing market conditions, and the concurrent escalation of construction costs encompassing both labour and material costs.

### Income Tax Expense

For the year ended 31 December 2024, income tax expense amounted to approximately S$3.1 million, while that of approximately S$1.3 million was recorded for the year ended 31 December 2023.

### Net Profit attributable to Owners of the Company and Net Profit Margin

The confluence of the aforementioned factors resulted in a net profit attributable to owners of the Company of approximately S$8.1 million during the Reporting Year, marking a significant increase of approximately 150.9% from approximately S$3.2 million for the year ended 31 December 2023. The Group's net profit margin demonstrated notable improvement, reaching approximately 5.7% for the year ended 31 December 2024 (31 December 2023: net profit margin of approximately 2.7%).

## Earnings per Share

For the year ended 31 December 2024, the basic earnings per share was S$0.64 cent, with the calculation based on net profit attributable to owners of the Company for the Year and the weighted average number of 1,263,427,200 ordinary shares (the "**Shares**") of HK$0.01 each in the share capital of the Company in issue during the Year.

For the year ended 31 December 2024, the diluted earnings per share was S$0.61 cent, with the calculation based on net profit attributable to owners of the Company for the Year and the weighted average number of Shares adjusted for the effects of dilution from the Group's share options of 1,342,651,200.

For the year ended 31 December 2023, the basic earnings per share was S$0.31 cent, with the calculation based on net profit attributable to owners of the Company for the year ended 31 December 2023 and the weighted average number of 1,036,456,000 Shares in issue during the year ended 31 December 2023.

For the year ended 31 December 2023, the diluted earnings per share was S$0.29 cent, with the calculation based on net profit attributable to owners of the Company for the year ended 31 December 2023 and the weighted average number of Shares adjusted for the effects of dilution from the Group's share options of 1,136,408,000.

## Liquidity, Financial Resources and Gearing Ratio

### *Liquidity*

During the Reporting Year, the Group exhibited robust financial resilience, sustaining a strong balance sheet buoyed by a strategic blend of internally generated funds and bank borrowings. As at 31 December 2024, the Group had cash and cash equivalents of approximately S$31.4 million (31 December 2023: approximately S$30.1 million). The year-on-year increase was primarily attributable to the proficient execution of effective financial management strategies that enhanced liquidity and operational efficiency.

In maintaining its robust financial health, the Group employs rigorous monitoring protocols for cash and cash equivalents, implementing comprehensive oversight mechanisms to ensure optimal liquidity levels that both sustain operational requirements and provide an effective buffer against unforeseen cash flow volatility. This proactive approach to liquidity management underscores the Group's commitment to financial prudence and operational resilience.

***Cash Flows Analysis***

The table below summaries the Group's cash flows for the years ended 31 December 2024 and 2023:

| | **2024** | 2023 |
|---|---|---|
| | **S$'000** | S$'000 |
| Net cash flows generated from operating activities | **28,783** | 22,470 |
| Net cash flows used in investing activities | **(43,038)** | (11,034) |
| Net cash flows generated from/(used in) financing activities | **15,447** | (4,645) |

*Operating Activities*

For the year ended 31 December 2024, the Group generated net cash inflow from operating activities of approximately S$28.8 million (31 December 2023: approximately S$22.5 million). The approximate S$8.0 million difference between the operating profit before working capital changes and net cash generated from operating activities was mainly attributable to (i) the increase in contract assets amounted to approximately S$1.0 million; (ii) the increase in trade receivables amounted to approximately S$1.8 million; (iii) the increase in inventories amounted to approximately S$1.6 million; (iv) the decrease in deposits, prepayments and other receivables of approximately S$2.0 million; (v) the substantial growth in contract liabilities of approximately S$10.7 million; (vi) the decrease in trade payables of approximately S$1.4 million; and (vii) the increase in other payables, accruals and deposits received of approximately S$2.6 million. The positive working capital contribution was partially offset by income tax payments of approximately S$1.5 million.

*Investing Activities*

For the year ended 31 December 2024, the net cash flows used in investing activities was approximately S$43.0 million (31 December 2023: approximately S$11.0 million), mainly attributable to (i) the acquisition of assets through the Acquisition of approximately S$41.6 million; (ii) the investment in associates and joint venture of approximately S$3.1 million; (iii) the purchase of property, plant and equipment of approximately S$3.1 million; (iv) the purchase of financial assets at FVTPL of approximately S$378,000; (v) the proceeds from settlement of financial assets at FVTPL of approximately S$3.8 million; (vi) the proceeds from disposals of property, plant and equipment of approximately S$931,000; and (vii) the interest and dividend received of approximately S$371,000.

*Financing Activities*

For the year ended 31 December 2024, the net cash flows generated from financing activities was approximately S$15.4 million (31 December 2023: approximately S$4.6 million used in financing activities), which was principally attributable to (i) the proceeds from borrowings of approximately S$31.7 million; (ii) the repayment of borrowings of approximately S$9.8 million; (iii) the repayment of sales loan of S$4.0 million; (iv) the repayment of principal portion of the lease liabilities of approximately S$3.4 million; (v) the repayment of interest portion of the lease liabilities amounted to approximately S$527,000; (vi) the proceed from issue of new Shares of approximately S$2.9 million; and (vii) the interest on borrowings of approximately S$1.4 million paid.

***Use of Proceeds***

On 17 November 2023, the Company and Mr. Phang Yew Kiat ("**Mr. Phang**"), the chairman of the Board and an executive Director (who was then a non-executive Director), entered into the subscription agreement dated 17 November 2023 (the "**Subscription Agreement**"), pursuant to which the Company conditionally agreed to allot and issue, and Mr. Phang conditionally agreed to subscribe for, 207,291,200 Shares (the "**Subscription Shares**") at the subscription price of HK$0.074 per Subscription Share for the total consideration of HK$15,339,548.80 in cash (the "**Subscription**").

After deduction of the related fees and expenses, the net proceeds (the "**Net Proceeds**") of the Subscription amounted to approximately HK$15,000,000.00 (equivalent to approximately S$2.6 million), all of which had been fully utilised on or before 30 June 2024.

| **Intended purposes** | **Planned use of the Net Proceeds** | **Amount utilised during the Year** | **Amount utilised up 31 December 2024** | **Unutilised balance up to 31 December 2024** |
|---|---|---|---|---|
| | S$'000 | S$'000 | S$'000 | S$'000 |
| Purchase of excavation machines and tipper trucks | 615 | 615 | 615 | – |
| Leasing or acquisition of industrial property | 666 | 666 | 666 | – |
| Working capital | 1,281 | 1,281 | 1,281 | – |
| **Total** | 2,562 | 2,562 | 2,562 | – |

As of 31 December 2024, the Group had fully utilised the Net Proceeds in accordance with the intended purposes as disclosed.

### *Borrowing and Gearing Ratio*

As at 31 December 2024, the Group had an aggregate of current and non-current bank borrowings and lease liabilities of approximately S$52.1 million, a surge from approximately S$8.7 million as at 31 December 2023. As at 31 December 2024, the Group's gearing ratio was approximately 0.51 time (31 December 2023: approximately 0.09 time). Gearing ratio is calculated by dividing total borrowings (borrowings and lease liabilities) by total equity as at the end of the respective year.

***Cash and Cash Equivalents***

As at 31 December 2024, the Group had cash and cash equivalents of approximately S$31.4 million (31 December 2023: approximately S$30.1 million). The Group had cash and cash balances of approximately S$32.7 million but the amount was reduced by the pledge for the guarantee arrangement and issuance of performance bonds, along with the banking facilities including letter of credit, overdraft and banking guarantee of approximately S$13.1 million.

**Foreign Exchange Exposure**

The Group principally operates in Singapore, with the majority of business transactions being in Singapore Dollars.

The Group has no substantial foreign exchange risk due to limited foreign currency transactions other than the functional currency of respective entities. To maintain prudent risk management, the Group implements systematic monitoring protocols and conducts regular assessment in a timely manner.

**Charges on Group's Assets**

As at 31 December 2024, the Group's banking facilities were secured by the pledge of the Group's deposits of approximately S$1.3 million (31 December 2023: approximately S$1.3 million), while the Group's lease liabilities were secured by the charge over the leased assets of net book value of approximately S$15.3 million (31 December 2023: approximately S$10.8 million).

**Contingent Liabilities**

As at 31 December 2024, the Group had contingent liabilities in respect of performance bonds of construction contracts in its ordinary course of business in the amount of approximately S$7.1 million as compared to approximately S$7.2 million for the year ended 31 December 2023. The guarantees in respect of performance bonds issued by banks were secured by pledged deposits.

## Capital Expenditure and Capital Commitments

For the year ended 31 December 2024, the Group invested approximately S$10.7 million (31 December 2023: approximately S$12.3 million) in the purchase of property, plant and equipment, which was mainly funded by finance lease liabilities and working capital.

As at 31 December 2024, the Group's capital commitments in respect of acquisition of property, plant and equipment amounted to approximately S$2.1 million (31 December 2023: approximately S$1.8 million).

## Significant Investments Held, Material Acquisitions or Disposals of Subsidiaries, Associates and Joint Ventures and Disclosable Transactions

Save as disclosed elsewhere in this announcement, during the Reporting Year and up to the date of this announcement, there has been no material change in the current information in relation to the significant investments held, material acquisitions and disposals of subsidiaries, associates and joint ventures and disclosable transactions from the information as disclosed in the interim report of the Group for the six months ended 30 June 2024 (the "**2024 Interim Report**").

## Connected Transactions

Save as disclosed elsewhere in this announcement, during the Reporting Year and up to the date of this announcement, there has been no material change in the current information in relation to the connected transactions from the information as disclosed in the 2024 Interim Report.

During the Reporting Year and up to the date of this announcement, three continuing connected transactions carried out by the Group were subject to the annual review and/or disclosure requirements under Chapter 14A of the Rules Governing the Listing of Securities (the "**Listing Rules**") on The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**"). Details of the major connected transactions and continuing connected transactions are set out in the section headed "RELATED PARTY TRANSACTIONS AND CONNECTED TRANSACTIONS" in the "Report of the Directors" of the annual report of the Group for the financial year ended 31 December 2024 (the "**2024 Annual Report**").

**Off-balance Sheet Transactions**

As of 31 December 2024, the Group did not involve in any material off-balance sheet transaction.

**Quantitative and Qualitative Disclosure about Material Risk**

***Foreign Currency Risk***

The majority of the Group's transactions take place in Singapore and are denominated in Singapore Dollars, which serves as the Group's functional currency. The Group currently does not have a foreign currency hedging policy. The Group's management (the "**Management**") is dedicated to maintaining vigilant oversight of foreign currency exposures, implementing strategic hedging mechanisms when warranted to mitigate significant currency risks.

***Credit Risk***

As at 31 December 2024, the Group's maximum exposure to credit risk, which could potentially result in financial loss arising from counterparties' failure to fulfil their contractual obligations, encompasses several key financial components. The risks include trade and other receivables, contract assets, pledged deposits, cash and cash equivalents and the contingent liabilities stemming from financial guarantees issued by the Group.

The Group maintains a stringent policy of engaging exclusively with recognised and reputable third-party entities for trading transactions. Prior to contract initiation, the Group conducts comprehensive due diligence evaluations encompassing multiple criteria, including the prospective customer's payment history, current financial capacity, specific business circumstances and the broader economic environment in which they operate.

The Group has established a credit policy and monitored the exposures to these credit risks on an ongoing basis.

### *Liquidity Risk*

The Group prudently manages liquidity risk by monitoring and maintaining sufficient cash and cash equivalents to ensure adequate liquidity for operations as well as alleviate the effects of cash flow volatility. Primarily financed by cash flow generated from operating and financing activities, the Group proactively monitors the utilisation of borrowings and ensures compliance with loan covenants.

## SHARES OPTION SCHEME

A share option scheme (the "**Share Option Scheme**") was adopted pursuant to the written resolutions of the Company's shareholders (the "**Shareholders**") passed on 10 May 2016. The objective of the Share Option Scheme is to enable the Company to grant options to employees and eligible participants, serving as incentives or rewards to optimise their contribution to the Group, and to attract and retain talented individuals essential for the Group's performance and expansion.

Details of the Share Option Scheme are disclosed in the "Report of the Directors" of the 2024 Annual Report and Note 34 to the audited consolidated financial statements of the Group for the financial year ended 31 December 2024.

## EMPLOYEE AND EMOLUMENT POLICY

As at 31 December 2024, the Group had 610 (31 December 2023: 574) employees.

Total staff costs including the Directors' emoluments amounted to approximately S$29.2 million for the year ended 31 December 2024 (31 December 2023: approximately S$25.4 million).

Employees of the Group are remunerated according to their job duties and market trends. All employees are also entitled to discretionary bonus depending on their respective performance. The Group has also implemented the Share Option Scheme to acknowledge and incentivise the valuable contribution of the employees towards the Group's growth and advancement.

## DIVIDEND

The Directors does not propose the payment of a final dividend for the year ended 31 December 2024.

## PROSPECTS

The global economic outlook is nuanced yet promising, with International Monetary Fund projections indicating a 3.3% expansion for 2025-26. Although this growth rate falls marginally below historical averages, it underscores the remarkable adaptability and resilience of the global economic system amid prevailing macroeconomic challenges and geopolitical complexities. The contemporary economic landscape is characterised by a matrix of interconnected dynamics involving evolutionary shifts in labour paradigms, accelerated technological transformation and an increasingly high-stakes geopolitical discourse that continues to alter the parameters of international commerce and trade relations. Growth within this multifaceted environment demonstrates the global economy's capacity to maintain forward momentum while adapting to structural changes and emerging challenges.

Within this global context, Singapore's economic outlook is a compelling narrative of resilience and strategic adaptation. According to MTI, the country's economy is forecast to grow in the range of 1% to 3% in 2025, reflecting both a moderation in global economic growth and domestic economic strength. This growth trajectory is underpinned by the robust performance of key industries including electronics, aerospace, finance and information technology, and benefits from a sustained recovery in international tourism. The country's manufacturing and trade-related services sectors continue to serve as primary growth engines, demonstrating remarkable adaptability to global economic conditions. Furthermore, the government's forward-looking economic policies and strategic diversification initiatives effectively mitigate external pressures while fostering an ecosystem conducive to innovation and productivity enhancement across sectors, positioning Singapore advantageously within the evolving global economic landscape.

Singapore's construction sector shows robust growth potential for 2025, with BCA forecasting construction demand reaching S$35 billion to S$39 billion in real terms. This projection represents a significant increase of 0.3% to 11.7% from pre-pandemic levels, highlighting the sector's resilient recovery trajectory. Its growth is anchored by transformative infrastructure initiatives, including the landmark development of Changi Airport Terminal 5 and the strategic expansion of Marina Bay Sands, complemented by substantial investments in public housing, industrial developments, educational institutions, healthcare facilities and infrastructure enhancements. Construction output is expected to range from S$30 billion to S$32 billion in real terms, marginally exceeding 2019 levels. The sector's vitality is demonstrated further by the BCA's forecast of construction contract awards valued at S$47 billion to S$53 billion, representing a notable increase from 2024's estimated S$44.2 billion. The industry modernisation agenda is advancing rapidly with the mandated implementation of CORENET X, an advanced digital regulatory platform, a digital transformation initiative that will commence on 1 October 2025, initially focusing on large-scale projects before expanding to include all new construction projects by 1 October 2026. In addition, the sector is seeing increased adoption of sophisticated project management methodologies through NEC4 contract implementation, supported by enhanced contractual frameworks and comprehensive training programmes.

Leveraging its prestigious A2-grade BCA civil engineering and general building contractor status, the Group is strategically positioned to capitalise on emerging market opportunities. Central to its expansion strategy is the selective pursuit of high-value public sector projects that offer compelling profit margins while nurturing enduring client relationships across Singapore's construction market. The Group's technical sophistication is shown by its current engagement in the HDB's Toa Payoh West development project, where it manages complex civil engineering operations including canal diversion, sewer construction and ground improvement works. The Group's portfolio is further distinguished by successful collaborations with HDB on notable developments, including the Telok Blangah C1 project and Woodlands C1 projects, demonstrating its comprehensive project execution capabilities. The successful execution of these complex operations demonstrates the Group's project management excellence and technical capabilities, strengthening its ability to secure future contracts from key public sector entities, including HDB, the Singapore's Public Utilities Board and Jurong Town Corporation. Moreover, successful project completion is expected to elevate the Group's classification within the BCA's Contractors Registration System, further cementing its market position and enhancing its future growth prospects.

In a strategic initiative to optimise operational efficiency and ensure regulatory compliance, the Group has successfully integrated Hulett Construction's assets into its operations. The Acquisition mitigates the escalating costs associated with foreign worker accommodation in Singapore while adhering to increasingly stringent regulatory requirements. It yields immediate tangible benefits, significantly enhancing the Group's infrastructure capacity for workforce accommodation and heavy vehicle management. The Group's incorporation of such strategic assets exemplifies its proactive approach to resource optimisation and compliance management. Aligned with the Group's long-term strategic vision, the initiative creates a robust platform for sustainable growth and operational resilience.

The Group strengthened its market position with two strategic milestone achievements during the Reporting Year: the Acquisition and the successful procurement of the HDB's operating tender of a foreign worker dormitory situated at 10A Eunos Road 1, Singapore 408523 (the "**Dormitory**"). These successes have secured a robust stream of recurring rental revenue, significantly enhancing the Group's financial stability. The Dormitory, strategically positioned to accommodate foreign workers engaged in the HDB's development projects, demonstrate the Group's successful portfolio of diversification strategy in an expansion that not only broadens its revenue streams, but also reinforces its risk management framework through calculated market positioning. In its commitment to operational excellence, the Group employs a systematic approach to dormitory management, incorporating rigorous assessment protocols for leasing arrangements. This methodology ensures strict adherence to regulatory requirements while maximising operational efficiency and resource optimisation, attesting to the Group's dedication to sustainable growth and operational sophistication.

In Singapore's dynamic construction market, the Group demonstrates visionary leadership through strategic investments in three pivotal domains: digital transformation, sustainability initiatives and avant-garde automation technologies. This multifaceted approach aligns harmoniously with national regulatory frameworks while underscoring the Group's steadfast dedication to operational excellence and environmental stewardship. Central to this progressive strategy is the deployment of a cutting-edge photovoltaic system at the Property, in addition to seamless integration with sophisticated robotic systems in the Group's large-scale infrastructure projects. The synergistic fusion of renewable energy solutions and advanced automation testifies to the Group's dedication to sustainable operational excellence. The implementation of precision-engineered robotic systems marks a transformative milestone in construction methodology, establishing new benchmarks for automated construction processes across the industry. The Group's comprehensive sustainability framework is aligned with the requirements of the coveted BCA's Green Mark Super Low Energy certification, setting new standards in sustainable infrastructure development. This ambitious positioning not only makes the Group a driving force behind Singapore's 2050 decarbonisation agenda, but also demonstrates its pioneering role in embracing future-ready construction methodologies. Through the strategic combination of renewable energy solutions with advanced robotics, the Group continues to cement its position as an industry trailblazer in an innovative convergence that drives sustainable development and substantially enhances its operational efficiency and project execution capabilities. The Group's integrated approach to technological development and environmental responsibility underscores its transformative vision of a sustainable, automated construction ecosystem.

As Singapore's construction sector continues to evolve, it remains on a promising growth trajectory, navigating persistent industry-wide challenges, characterised largely by acute labour constraints and sustained increases in material costs. In response to these market dynamics, the Group has adopted a position of comprehensive strategic preparedness through the implementation of sophisticated market intelligence systems, prudent financial governance protocols and robust risk mitigation strategies. This integrated approach, underpinned by vigilant market monitoring and strategic resource optimisation, enables the Group to maintain operational resilience while safeguarding profit margins and ensuring long-term business sustainability, reinforcing its commitment to sustainable growth and stakeholder value creation in Singapore's dynamic construction sector.

Recognising human capital as the foundation of competitive differentiation, the Group has an unshakeable commitment to pioneering talent development initiatives. Its holistic talent management philosophy incorporates performance-calibrated bonus mechanisms that acknowledge and remunerate exceptional individual contributions, ensuring that reward structures align with both individual accomplishments and organisational goals. This approach to human capital cultivation, augmented by fine-tuned learning interventions and strategically crafted career trajectories, fortifies the Group's operational prowess while amplifying organisational adaptability in an increasingly dynamic industry environment. The strategic confluence of professional enrichment initiatives and performance-linked incentivisation frameworks cements the Group's position as a pre-eminent employer, while its continuing investment in talent development catalyses sustainable competitive advantages through unparalleled excellence in human capital stewardship, ensuring heightened responsiveness to evolving industry demands and fostering long-term organisational resilience.

Singapore's construction sector shows exceptional promise for sustained upward momentum, underwritten by the government's firm dedication to pioneering infrastructure initiatives and visionary urban metamorphosis programmes. The convergence of substantial public sector undertakings with ongoing private sector investments creates unprecedented opportunities for discerning industry participants. With its distinguished track record of operational excellence, industry expertise spanning decades and its sophisticated market intelligence apparatus, the Group is in an enviable position to deftly navigate complex market dynamics, demonstrate remarkable adaptability to evolving economic paradigms, and strategically harness emerging opportunities in the construction sector. This strategic readiness, bolstered by the Group's proven ability to execute complex projects, robust risk management frameworks and innovative technological solutions, enables it to maintain its competitive advantage while contributing significantly to Singapore's infrastructure transformation.

Leveraging its impressive legacy and deep expertise in Singapore's construction industry, the Group maintains an unwavering commitment to the highest business ethics and operational standards, ensuring impeccable project execution and timely delivery. With a firm focus on operational excellence and stakeholder value creation, the Group possesses exceptional agility to navigate emerging challenges while steadfastly pursuing optimum sustained returns for the Shareholders, reinforcing its position as an example of world-class corporate governance and operational distinction in the construction sector.

## CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

*For the financial year ended 31 December 2024*

| | Note | 2024<br>S$'000 | 2023<br>S$'000 |
|---|---|---|---|
| **Revenue** | *4* | **136,659** | 120,832 |
| Cost of sales | | **(119,029)** | (112,240) |
| | | **17,630** | 8,592 |
| **Rental income** | *4* | **7,091** | – |
| Direct operating expenses | | **(5,762)** | – |
| | | **1,329** | – |
| **Gross profit** | | **18,959** | 8,592 |
| Other income and gains | *4* | **3,159** | 3,977 |
| Administrative and other operating expenses | | **(7,732)** | (6,990) |
| Other expenses | | **(633)** | (145) |
| Finance costs | *5* | **(1,960)** | (237) |
| Share of loss of joint venture | | **(5)** | – |
| Share of losses of associates | | **(568)** | (640) |
| **Profit before income tax** | *6* | **11,220** | 4,557 |
| Income tax expense | *7* | **(3,079)** | (1,312) |
| **Net profit attributable to owners of the Company** | | **8,141** | 3,245 |

| | Note | 2024 | 2023 |
|---|---|---|---|
| | | **S$'000** | S$'000 |
| **Other comprehensive income:** | | | |
| *Items that will not be reclassified subsequently to profit or loss:* | | | |
| Financial assets at fair value through other comprehensive income ("**FVOCI**") | | | |
| – Fair value losses | | **(22)** | – |
| **Other comprehensive income, net of tax** | | **(22)** | – |
| **Total comprehensive income for the year attributable to owners of the Company** | | **8,119** | 3,245 |
| Basic earnings per share (cents) | *9* | **0.64** | 0.31 |
| Diluted earnings per share (cents) | *9* | **0.61** | 0.29 |

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

*As at 31 December 2024*

| | Note | 2024<br>S$'000 | 2023<br>S$'000 |
|---|---|---|---|
| **ASSETS AND LIABILITIES** | | | |
| **Non-current assets** | | | |
| Property, plant and equipment | | **80,922** | 16,820 |
| Investment property | | **1,262** | 1,274 |
| Investment in associates and joint venture | | **19,460** | 16,928 |
| Other assets | | **363** | 366 |
| Deposits, prepayments and other receivables | | **620** | 520 |
| Financial assets at fair value through profit or loss ("**FVTPL**") | | **3,278** | 8,499 |
| Financial assets at FVOCI | | **535** | 557 |
| Financial assets at amortised cost | | **–** | 250 |
| **Total non-current assets** | | **106,440** | 45,214 |
| **Current assets** | | | |
| Financial assets at FVTPL | | **2,240** | – |
| Inventories | | **1,638** | – |
| Contract assets | | **28,292** | 27,304 |
| Trade receivables | *10* | **17,877** | 16,069 |
| Deposits, prepayments and other receivables | | **2,314** | 1,708 |
| Pledged deposits | | **1,290** | 1,285 |
| Cash and cash equivalents | | **31,408** | 30,105 |
| **Total current assets** | | **85,059** | 76,471 |
| **Total assets** | | **191,499** | 121,685 |

| | Note | 2024 | 2023 |
|---|---|---|---|
| | *Note* | **S$'000** | S$'000 |
| **Current liabilities** | | | |
| Contract liabilities | | **14,793** | 4,101 |
| Trade payables | *11* | **6,761** | 8,042 |
| Other payables, accruals and deposits received | | **10,843** | 7,618 |
| Borrowings | | **5,369** | 1,277 |
| Lease liabilities | | **9,894** | 4,006 |
| Income tax payable | | **3,353** | 1,031 |
| **Total current liabilities** | | **51,013** | 26,075 |
| **Net current assets** | | **34,046** | 50,396 |
| **Total assets less current liabilities** | | **140,486** | 95,610 |
| **Non-current liabilities** | | | |
| Other payables, accruals and deposits received | | **–** | 11 |
| Borrowings | | **32,164** | 540 |
| Lease liabilities | | **4,674** | 2,915 |
| Deferred tax liabilities | | **500** | 56 |
| **Total non-current liabilities** | | **37,338** | 3,522 |
| **Total liabilities** | | **88,351** | 29,597 |
| **Net assets** | | **103,148** | 92,088 |

| | | 2024 | 2023 |
|---|---|---|---|
| | *Note* | **S$'000** | S$'000 |
| **EQUITY** | | | |
| **Equity attributable to owners of the Company** | | | |
| Share capital | | **2,154** | 1,767 |
| Share premium | | **29,950** | 27,250 |
| Reserves | | **71,044** | 63,071 |
| **Total equity** | | **103,148** | 92,088 |

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

*For the financial year ended 31 December 2024*

| | Share capital *S$'000* | Share premium *S$'000* | Merger reserve* *S$'000* | Share option reserve* *S$'000* | Fair value reserve* *S$'000* | Retained profits* *S$'000* | Total *S$'000* |
|---|---|---|---|---|---|---|---|
| **At 1 January 2023** | 1,767 | 27,250 | 5,166 | 604 | (148) | 54,144 | 88,783 |
| Profit for the year | – | – | – | – | – | 3,245 | 3,245 |
| Other comprehensive income: | | | | | | | |
| Changes in fair value of financial assets at FVOCI | – | – | – | – | – | – | – |
| Transfer of fair value reserve of equity instruments designated at FVOCI | – | – | – | – | 106 | (106) | – |
| Total comprehensive income for the year | – | – | – | – | 106 | 3,139 | 3,245 |
| Equity-settled share option arrangements | – | – | – | 60 | – | – | 60 |
| **At 31 December 2023** | 1,767 | 27,250 | 5,166 | 664 | (42) | 57,283 | 92,088 |

* *These reserve accounts comprise the consolidated reserves of S$63,071,000 in the consolidated statement of financial position as at 31 December 2023.*

| | **Share capital** ***S$'000*** | **Share premium** ***S$'000*** | **Merger reserve*** ***S$'000*** | **Share option reserve*** ***S$'000*** | **Fair value reserve*** ***S$'000*** | **Retained profits*** ***S$'000*** | **Total** ***S$'000*** |
|---|---|---|---|---|---|---|---|
| **At 1 January 2024** | **1,767** | **27,250** | **5,166** | **664** | **(42)** | **57,283** | **92,088** |
| Transactions with owners: | | | | | | | |
| Issuance of shares | **387** | **2,700** | **–** | **(146)** | **–** | **–** | **2,941** |
| | **2,154** | **29,950** | **5,166** | **518** | **(42)** | **57,283** | **95,029** |
| Profit for the year | **–** | **–** | **–** | **–** | **–** | **8,141** | **8,141** |
| Other comprehensive income: | | | | | | | |
| Changes in fair value of financial assets at FVOCI | **–** | **–** | **–** | **–** | **(22)** | **–** | **(22)** |
| Total comprehensive income for the year | **–** | **–** | **–** | **–** | **(22)** | **8,141** | **8,119** |
| **At 31 December 2024** | **2,154** | **29,950** | **5,166** | **518** | **(64)** | **65,424** | **103,148** |

* *These reserve accounts comprise the consolidated reserves of S$71,044,000 in the consolidated statement of financial position as at 31 December 2024.*

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

*For the financial year ended 31 December 2024*

## 1. GENERAL INFORMATION

Chuan Holdings Limited (the "**Company**") is a limited liability company incorporated and domiciled in Cayman Islands. The registered office of the Company is located at Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands, and the principal place of business of the Company in Singapore is located at 20 Senoko Drive, Singapore 758207.

The Company is an investment holding company. The Company and its subsidiaries (collectively, the "**Group**") are principally engaged in the provision of general building and construction services as well as property leasing and management operations in Singapore.

As at the date of this announcement, in the opinion of the directors (the "**Directors**") of the Company, the controlling shareholder of the Company is Mr. Lim Kui Teng, who is the sole director and sole shareholder of Brewster Global Holdings Limited, which is incorporated in British Virgin Islands.

## 2. MATERIAL ACCOUNTING POLICY INFORMATION

### 2.1 Basis of preparation

The consolidated financial statements of the Group have been prepared in accordance with International Financial Reporting Standards (the "**IFRSs**") as issued by the International Accounting Standards Board (the "**IASB**") and the disclosures requirement of the Hong Kong Companies Ordinance.

The consolidated financial statements have been prepared on a historical basis except as disclosed in the accounting policies below.

The consolidated financial statements are presented in Singapore Dollars ("**SGD**" or "**S$**"), which is the Company's functional currency and all values are rounded to the nearest thousand ("**SGD'000**" or "**S$'000**"), except where otherwise stated.

The Group has prepared the financial statements on the basis that it will continue to operate as a going concern.

## 2.2 Basis of consolidation

The consolidated financial statements comprise the financial statements of the Group for the year ended 31 December 2024. A subsidiary is an entity, directly or indirectly, controlled by the Company. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

When the Group has, directly or indirectly, less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement(s) with the other vote holders of the investee;
- Rights arising from other contractual arrangements; and
- The Group's voting rights and potential voting rights.

The financial statements of the subsidiaries are prepared for the same financial year as the Company, using consistent accounting policies. The results of subsidiaries are consolidated from the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

Profit or loss and each component of other comprehensive income are attributed to the owners of the parent of the Group. All intra-group assets, liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control described above. A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

If the Group loses control over a subsidiary, it derecognises the related assets (including goodwill), liabilities, and other components of equity, while any resultant gain or loss is recognised in profit or loss. Any investment retained is recognised at fair value.

## 2.3 Standards issued but not yet effective

The Group applied for the first-time certain standards and amendments, which are effective for annual periods beginning on or after 1 January 2024 (unless otherwise stated). The Group has not applied the following new and revised IFRSs, that have been issued but are not yet effective, in these financial statements. The Group intends to apply these new and revised IFRSs, if applicable, when they become effective.

| **Description** | **Effective for annual periods beginning on or after** |
|---|---|
| Amendments to IAS 21: *Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability* | 1 January 2025 |
| Amendments to IFRS 9: *Financial Instruments* and IFRS 7 *Financial Instruments: Disclosures: Amendments to the Classification and Measurement of Financial Instruments* | 1 January 2026 |
| Annual Improvements to IFRSs Accounting Standards – Volume 11: Amendments to IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7 | 1 January 2026 |
| IFRS 18 *Presentation and Disclosure in Financial Statements* | 1 January 2027 |
| IFRS 19 *Subsidiaries without Public Accountability: Disclosures* | 1 January 2027 |
| Amendments to IFRS 10 *Consolidated Financial Statements* and IAS 28 *Investments in Associates and Joint Ventures: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture* | Date to be determined |

The Directors expect that the adoption of the standards above will have no material impact on the Group's financial statements in the period of initial application.

## 3. OPERATING SEGMENT INFORMATION

For the purpose of resources allocation and performance assessment, the Group determines its operating segments based on the reports reviewed by the chief operating decision maker ("**CODM**") that are used to make strategic decisions. These consolidated financial statements which were reported to the CODM based on the following segments:

a) Provision of earthworks and related services, mainly include excavation, earth disposal, demolition and various earthwork ancillary services (collectively referred as "**Earthworks and ancillary services**");

b) Provision of general construction works, mainly include construction of new buildings and alternation and addition works (collectively referred as "**General construction works**"); and

c) Property leasing and management operations (collectively referred as "**Property investment**").

**Segment revenue and results**

Segment revenue below represents revenue from external customers. There was no inter-segment revenue during the years ended 31 December 2024 and 31 December 2023. Operating revenue, direct costs, gain on disposals of property, plant and equipment (including plant and machinery and motor vehicles), interest expenses on leases liabilities and provision for expected credit loss ("**ECL**") on trade receivables and contract assets are allocated to different segments to assess corresponding performance.

The segment revenue and results, and the totals presented for the Group's operating segments reconcile to the Group's key financial figures as presented in the consolidated financial statements are as follows:

| | Earthworks and ancillary services S$'000 | General construction works S$'000 | Property investment S$'000 | Total S$'000 |
|---|---|---|---|---|
| **2024** | | | | |
| Revenue from external customers | **97,434** | **39,225** | **7,091** | **143,750** |
| *Reconciliation:* | | | | |
| Reportable segment results | **14,461** | **3,405** | **(176)** | **17,690** |
| Unallocated other income and gains | | | | **2,380** |
| Corporate and other unallocated expenses | | | | **(8,277)** |
| Share of losses of associates and joint venture | | | | **(573)** |
| Profit before income tax | | | | **11,220** |

| | Earthworks and ancillary services S$'000 | General construction works S$'000 | Total S$'000 |
|---|---|---|---|
| **2023** | | | |
| Revenue from external customers | 84,436 | 36,396 | 120,832 |
| *Reconciliation:* | | | |
| Reportable segment results | 4,192 | 4,702 | 8,894 |
| Unallocated other income and gains | | | 3,342 |
| Corporate and other unallocated expenses | | | (6,990) |
| Interest on borrowings | | | (49) |
| Share of results of associates | | | (640) |
| Profit before income tax | | | 4,557 |

Corporate and other unallocated expenses mainly included Directors' emoluments, employee benefits expenses, depreciation of office equipment, provision for ECL on other receivables and other centralised administrative cost for the Group's headquarter.

**Segment assets and liabilities**

***Reportable segment assets***

The following is an analysis of the Group's segment assets by reportable and operating segment:

| | **2024** | 2023 |
|---|---|---|
| | **S$'000** | S$'000 |
| Earthworks and ancillary services | **57,067** | 49,177 |
| General construction works | **9,672** | 10,789 |
| Property investment | **59,773** | – |
| **Total** | **126,512** | 59,966 |
| *Additions to non-current segment assets:* | | |
| Earthworks and ancillary services | **10,151** | 12,328 |
| General construction works | **2** | – |
| Property investment | **61,878** | – |
| | **72,031** | 12,328 |

The totals presented for the Group's operating segments reconcile to the Group's key financial figures as presented in the consolidated financial statements as follows:

| | **2024** | 2023 |
|---|---|---|
| | **S$'000** | S$'000 |
| Reportable segment assets | **126,512** | 59,966 |
| Unallocated property, plant and equipment | **602** | 166 |
| Unallocated right-of-use assets | **67** | 91 |
| Financial assets at FVTPL | **5,518** | 8,499 |
| Financial assets at amortised cost | **–** | 250 |
| Financial assets at FVOCI | **535** | 557 |
| Investment property | **1,262** | 1,274 |
| Other assets | **363** | 366 |
| Pledged deposits | **1,290** | 1,285 |
| Cash and cash equivalents | **31,408** | 30,105 |
| Investment in associates and joint venture | **19,460** | 16,928 |
| Corporate and other unallocated assets | **4,482** | 2,198 |
| **Group assets** | **191,499** | 121,685 |

Corporate and other unallocated assets mainly included deposits, prepayments, other receivables due from related parties and advance payment to suppliers.

***Reportable segment liabilities***

The following is an analysis of the Group's segment liabilities by reportable and operating segment:

| | **2024** | 2023 |
|---|---|---|
| | **S$'000** | S$'000 |
| Earthworks and ancillary services | **30,177** | 16,046 |
| General construction works | **3,298** | 2,904 |
| Property investment | **39,443** | – |
| **Total** | **72,918** | 18,950 |

The totals presented for the Group's operating segments reconcile to the Group's key financial figures as presented in the consolidated financial statements as follows:

| | **2024** | 2023 |
|---|---|---|
| | **S$'000** | S$'000 |
| Reportable segment liabilities | **72,918** | 18,950 |
| Borrowings | **657** | 1,817 |
| Deferred tax liabilities | **500** | – |
| Corporate and other unallocated liabilities | **14,276** | 8,830 |
| **Group liabilities** | **88,351** | 29,597 |

Corporate and other unallocated liabilities mainly included accruals for employee benefit expenses and payables of office operating expenses and utilities.

### Other segment information

| | Earthworks and ancillary services S$'000 | General construction works S$'000 | Property investment S$'000 | Unallocated S$'000 | Total S$'000 |
|---|---|---|---|---|---|
| **2024** | | | | | |
| Gain on disposals of property, plant and equipment | **779** | **–** | **–** | **–** | **779** |
| Fair value gain on financial assets at FVTPL | **487** | **–** | **–** | **–** | **487** |
| Depreciation of property, plant and equipment and investment property | **5,961** | **–** | **2,262** | **133** | **8,356** |
| Provision for/(reversal of) ECL on contract assets | **36** | **(24)** | **–** | **–** | **12** |
| Provision for/(reversal of) ECL on trade receivables | **252** | **(176)** | **–** | **–** | **76** |
| Finance costs | **455** | **–** | **1,505** | **–** | **1,960** |
| Interest income | **–** | **–** | **–** | **321** | **321** |
| Share of losses of associates and joint venture | **–** | **–** | **–** | **(573)** | **(573)** |

| | Earthworks and ancillary services S$'000 | General construction works S$'000 | Unallocated S$'000 | Total S$'000 |
|---|---|---|---|---|
| **2023** | | | | |
| Gain on disposals of property, plant and equipment | 587 | – | – | 587 |
| Fair value gain on financial assets at FVTPL | – | – | 876 | 876 |
| Depreciation of property, plant and equipment | 6,192 | – | 221 | 6,413 |
| (Reversal of)/provision for ECL on contract assets | (83) | 49 | – | (34) |
| Provision for ECL on trade receivables | 131 | – | – | 131 |
| Finance costs | 188 | – | 49 | 237 |
| Interest income | – | – | 193 | 193 |
| Share of losses of associates | – | – | (640) | (640) |

**Geographical information**

The Group's non-current assets are all based in Singapore. No geographical information is presented for the Group's business segment as the Group is principally engaged in projects within Singapore. Accordingly, the Group's revenue is all derived from customers located in Singapore.

Revenue from customers for the respective years over 10% of the Group's total revenue is as follows:

| | **2024** | 2023 |
|---|---|---|
| | **S$'000** | S$'000 |
| Customer A – attributable to Earthworks and ancillary services | **25,756** | N/A |
| Customer A – attributable to General construction works | **25,706** | N/A |
| Customer B – attributable to General construction works | **N/A** | 30,438 |

## 4. REVENUE, OTHER INCOME AND GAINS

a) Revenue, which is also the Group's turnover, represents revenue from Earthworks and ancillary services, General construction works and Property investment. Revenue recognised from the principal activities during the respective years is as follows:

| | **Revenue from external customers** | |
|---|---|---|
| | **2024** | 2023 |
| | **S$'000** | S$'000 |
| Revenue from contracts with customer and recognised over time: | | |
| Earthworks and ancillary services | **97,434** | 84,436 |
| General construction works | **39,225** | 36,396 |
| Subtotal | **136,659** | 120,832 |
| Property investment | **7,091** | – |
| | **143,750** | 120,832 |

Earthworks and ancillary services included revenue of S$92,211,000 (2023: S$78,635,000) from earthworks and S$5,223,000 (2023: S$5,801,000) from earthwork ancillary services.

b) Transaction price allocated to remaining performance obligations

As at 31 December 2024, the transaction price allocated to performance obligations that were unsatisfied (or partially unsatisfied) in relation to project works was S$427,000,000 (2023: S$335,000,000). The Directors expect that the unsatisfied performance obligations will be recognised as revenue from 1 to 5 years according to the contract period.

c) An analysis of the Group's other income and gains during the respective years is as follows:

| | **2024** | 2023 |
|---|---|---|
| | **S$'000** | S$'000 |
| **Other income** | | |
| Management service income | **463** | 501 |
| Interest income from financial assets at amortised cost | **321** | 193 |
| Reversal of provision for ECL | **298** | 47 |
| Rental income from investment property | **75** | 91 |
| Dividend income from financial assets at FVOCI | **9** | 59 |
| Sales of scrap materials and consumables | **492** | 535 |
| Government grants | **22** | 115 |
| Others | **102** | 39 |
| | **1,782** | 1,580 |
| **Gains** | | |
| Gain on disposals of property, plant and equipment | **779** | 587 |
| Gain on settlement of financial assets at FVTPL | **–** | 934 |
| Fair value gain from financial assets at FVTPL | **487** | 876 |
| Net exchange gain | **111** | – |
| | **1,377** | 2,397 |
| **Total** | **3,159** | 3,977 |

## 5. FINANCE COSTS

| | 2024<br>S$'000 | 2023<br>S$'000 |
|---|---|---|
| Interest expenses from financial liabilities at amortised cost: | | |
| – Interest on lease liabilities | **527** | 188 |
| – Interest on borrowings | **1,095** | 49 |
| – Interest on promissory note | **338** | – |
| **Total** | **1,960** | 237 |

## 6. PROFIT BEFORE INCOME TAX

Profit before income tax is arrived at after charging/(crediting):

| | *Note* | 2024<br>S$'000 | 2023<br>S$'000 |
|---|---|---|---|
| Auditor's remuneration | | | |
| – audit fees | | **310** | 192 |
| – other non-audit fees | | **18** | 22 |
| Depreciation of property, plant and equipment | *(i)* | **8,344** | 6,413 |
| Depreciation of investment property | *(ii)* | **12** | 12 |
| Direct operating expenses arising from investment property that generated rental income | | **22** | 19 |
| Net foreign exchange (gain)/loss | | **(111)** | 127 |
| Employee benefit expenses (including Directors' remuneration): | | | |
| – Salaries, wages and bonuses | | **24,643** | 21,504 |
| – Equity-settled share option expenses | | **–** | 60 |
| – Defined contribution retirement plan | | **895** | 772 |
| – Other short-term benefits | | **3,675** | 3,091 |
| Provision for/(reversal of) ECL on contract assets | | **12** | (34) |
| Provision for ECL on trade receivables, net | | **76** | 131 |
| Impairment on/(reversal of) other assets | | **3** | (1) |
| Fair value gain from financial assets at FVTPL | | **(487)** | (876) |

*Notes:*

(i) Depreciation of property, plant and equipment amounting to S$7,909,000 (2023: S$6,198,000) was included in direct costs and S$435,000 (2023: S$215,000) in administrative and other operating expenses during the year.

(ii) Depreciation of investment property was included in administrative and other operating expenses.

## 7. INCOME TAX EXPENSE

### (a) Income tax

| | **2024** | 2023 |
|---|---|---|
| | **S$'000** | S$'000 |
| **Current tax – Singapore income tax** | | |
| Charge for the year | **2,935** | 1,015 |
| (Over)/Under provision in respect to prior year | **(300)** | 13 |
| | **2,635** | 1,028 |
| **Deferred tax** | | |
| Charge for the year due to origination and reversal of temporary differences *(Note (b))* | **444** | 284 |
| **Income tax expense** | **3,079** | 1,312 |

Singapore income tax has been provided at the rate of 17% on the estimated assessable profits.

The income tax expense for the respective years can be reconciled to the profit before income tax per the consolidated statement of comprehensive income as follows:

| | **2024** | 2023 |
|---|---|---|
| | **S$'000** | S$'000 |
| Profit before income tax | **11,220** | 4,557 |
| Add: Share of losses of associates and joint venture | **573** | 640 |
| | **11,793** | 5,197 |
| Tax at statutory tax rate of 17% | **2,005** | 884 |
| Enhanced tax allowances, exemptions and rebates | **(52)** | (35) |
| Non-deductible expenses | **909** | 228 |
| Income not subject to tax | **(29)** | (3) |
| (Over)/Under provision in respect to prior year | **(300)** | 13 |
| Utilisation of previously unrecognised deferred income tax benefits | **213** | – |
| Tax loss disregarded | **350** | 292 |
| Effect of temporary differences | **–** | (15) |
| Others | **(17)** | (52) |
| **Income tax expense** | **3,079** | 1,312 |

As at 31 December 2024 and 2023, the Group had no unutilised estimated tax losses available to offset against future profits.

### (b) Deferred tax

The movements in deferred tax liabilities and assets during the respective years are as follow:

***Deferred tax (liabilities)/assets***

| | Accelerated tax depreciation | Leases | Impairment loss | Unutilised leave | Unutilised losses | Total |
|---|---|---|---|---|---|---|
| | S$'000 | S$'000 | S$'000 | S$'000 | S$'000 | S$'000 |
| **At 1 January 2023** | (36) | 10 | 211 | 41 | 2 | 228 |
| (Charge)/credit to profit or loss for the year *(Note (a))* | (280) | (10) | 18 | (10) | (2) | (284) |
| **At 31 December 2023** | (316) | – | 229 | 31 | – | (56) |
| (Charge)/credit to profit or loss for the year *(Note (a))* | (507) | 38 | 17 | 8 | – | (444) |
| **At 31 December 2024** | (823) | 38 | 246 | 39 | – | (500) |

The following is an analysis of the deferred tax balances of the Group for financial reporting purposes:

| | **2024** | 2023 |
|---|---|---|
| | **S$'000** | S$'000 |
| Deferred tax liabilities | **500** | 56 |

## 8. DIVIDENDS

No dividend was declared or paid by the Company during the year ended 31 December 2024 (2023: Nil).

## 9. EARNINGS PER SHARE

The calculation of basic earnings per share for the year ended 31 December 2024 is based on the profit for the year of S$8,141,000 (2023: S$3,245,000) and on the weighted average number of 1,263,427,200 (2023: 1,036,456,000) ordinary shares (the "**Shares**") of HK$0.01 each in the share capital of the Company in issue during the year ended 31 December 2024.

The calculation of diluted earnings per share for the year ended 31 December 2024 is based on the profit for the year of S$8,141,000 (2023: S$3,245,000) and on the weighted average number of Shares adjusted for the effects of dilution from the Group's share options of 1,342,651,200 (2023: 1,136,408,000).

## 10. TRADE RECEIVABLES

| | *Note* | **2024**<br>**S$'000** | 2023<br>S$'000 |
|---|---|---|---|
| Trade receivables | | **18,806** | 16,865 |
| Retention receivables | | **365** | 379 |
| | *(a)* | **19,171** | 17,244 |
| Less: Provision for ECL on trade receivables and retention receivables | | **(1,294)** | (1,175) |
| | *(b)* | **17,877** | 16,069 |
| Total trade receivables, net | | | |
| – Non-related parties | | **17,875** | 16,062 |
| – Related parties | *(c)* | **2** | 7 |
| | | **17,877** | 16,069 |

*Notes:*

(a) During the year, credit period granted to the Group's customers was generally within 30 (2023: 30) days from invoice date of the relevant contract revenue. Some construction contracts stipulate that the customers withhold a portion of total contract sum (usually 5%) until a specified period (usually 1 year) after completion of the contract. The amount withheld is classified as retention receivables. Retention receivables are unsecured and interest-free.

(b) Based on invoice date, the ageing analysis of the Group's trade receivables is as follows:

| | 2024 | 2023 |
|---|---|---|
| | S$'000 | S$'000 |
| 0 to 30 days | **9,306** | 7,936 |
| 31 to 90 days | **5,919** | 6,006 |
| 91 to 180 days | **1,381** | 1,479 |
| 181 to 365 days | **1,229** | 647 |
| Over 365 days | **42** | 1 |
| | **17,877** | 16,069 |
| Retention receivables | **–** | – |
| | **17,877** | 16,069 |

The ageing analysis of the Group's trade receivables that were not impaired is as follows:

| | 2024 | 2023 |
|---|---|---|
| | S$'000 | S$'000 |
| Neither past due nor impaired | **9,306** | 7,931 |
| 1 to 30 days past due | **3,195** | 4,792 |
| 31 to 90 days past due | **3,348** | 1,911 |
| 91 to 180 days past due | **901** | 908 |
| 181 to 365 days past due | **1,085** | 526 |
| Over 365 days past due | **42** | 1 |
| | **17,877** | 16,069 |
| Retention receivables | **–** | – |
| | **17,877** | 16,069 |

The Group's trade receivables that were neither past due nor impaired as at the reporting date related to the customers who had no recent history of default. The Group's management considers that trade receivables that were past due but not impaired under review are of good credit quality. The Group does not hold any collateral in respect of trade receivables past due but not impaired.

The movement in the provision for ECL on trade receivables and retention receivables is as follows:

| | **2024** | 2023 |
|---|---|---|
| | **S$'000** | S$'000 |
| Balance at beginning of the year | **1,175** | 1,044 |
| Acquisition of subsidiary | **43** | – |
| Provision for ECL, net | **76** | 131 |
| Balance at end of the year | **1,294** | 1,175 |

(c) The receivables from these related parties are unsecured, interest free and repayable on demand and are to be settled in cash.

| | **2024** | 2023 |
|---|---|---|
| | **S$'000** | S$'000 |
| Trade receivables | **2** | 7 |
| Less: Provision for ECL | **–** | – |
| | **2** | 7 |

## 11. TRADE PAYABLES

| | Note | 2024<br>S$'000 | 2023<br>S$'000 |
|---|---|---|---|
| Trade payables | *(a)* | **6,167** | 7,045 |
| Retention payables | | **594** | 997 |
| | | **6,761** | 8,042 |
| Total trade payables | | | |
| – Non-related parties | | **6,753** | 7,998 |
| – Related parties | | **8** | 44 |
| | | **6,761** | 8,042 |

*Note:*

(a) The Group's trade payables are non-interest bearing and generally have payment terms of 30 days.

The ageing analysis of trade payables, based on invoice date, is as follows:

| | 2024<br>S$'000 | 2023<br>S$'000 |
|---|---|---|
| 0 to 30 days | **4,240** | 4,799 |
| 31 to 90 days | **1,349** | 1,905 |
| 91 to 180 days | **273** | 223 |
| Over 180 days | **899** | 1,115 |
| | **6,761** | 8,042 |

## ISSUE OF SHARES

On 17 November 2023, the Company and Mr. Phang entered into the Subscription Agreement, pursuant to which the Company conditionally agreed to allot and issue, and Mr. Phang conditionally agreed to subscribe for, the Subscription Shares of 207,291,200 Shares at the subscription price of HK$0.074 per Subscription Share for the total consideration of HK$15,339,548.80 in cash. The closing price of the Shares as quoted on the Stock Exchange on 17 November 2023, being the date on which the terms of the issue were fixed, was HK$0.074 per Share.

In view of (i) the Group's business scale, strategic development and ongoing projects; (ii) the term of the master lease agreement dated 14 December 2021 entered into between Hulett Construction and Chuan Lim; (iii) the number of foreign workers staying at the Group's leased worker dormitory and the dormitories operated by third parties; (iv) the surging dormitory costs due to supply shortage of foreign worker dormitories; (v) the more stringent requirements imposed by the Singapore government on the employers' responsibility to ensure their foreign workers are provided with proper housing; and (vi) the future business opportunities of construction works in Singapore, the Group shall continue to strengthen its market presence and competitiveness in the construction industry by increasing its working capital, production capacity and workforce and to provide sufficient and suitable operation space and housing for its foreign workers. The Subscription demonstrates Mr. Phang's confidence and commitment for the Group's long-term development and growth prospect and further strengthens the capital base of the Company by raising additional funds for the Group's business operations and strategic development. In light of the prevailing market conditions that the interest rate for debt financing has raised significantly, the Subscription represents a suitable financial option to support the Group's continuous development and business growth, as compared to other means of financing as it enables the Group to raise capital in an efficient manner without increasing interest burden on the Group.

The Subscription Agreement and the transactions contemplated thereunder, including the Subscription and the grant to the Directors of the specific mandate to allot and issue the Subscription Shares, were approved by the independent Shareholders at the first extraordinary general meeting of the Company held on 4 January 2024. The completion of the Subscription took place on 23 January 2024 in accordance with the terms and conditions of the Subscription Agreement, upon which the Subscription Shares were allotted and issued by the Company to Mr. Phang, who became a substantial Shareholder. For further details, please refer to the announcements of the Company dated 17 November 2023, 4 January 2024 and 23 January 2024 and the circular of the Company dated 15 December 2023.

After deduction of the related fees and expenses, the Net Proceeds amounted to approximately HK$15,000,000.00 (equivalent to approximately S$2.6 million), representing a net subscription price of approximately HK$0.0724 per Subscription Share. The intended use of the Net Proceeds was as follows:

(a) HK$7,500,000.00 (i.e. 50% of the Net Proceeds and equivalent to approximately S$1,281,000) for strengthening the Group's working capital for tender for additional sizable projects;

(b) HK$3,600,000.00 (i.e. 24% of the Net Proceeds and equivalent to approximately S$615,000) for purchase of excavation machines and tipper trucks; and

(c) HK$3,900,000.00 (i.e. 26% of the Net Proceeds and equivalent to approximately S$666,000) for leasing or acquisition of industrial property for the Group's use.

Details of utilisation of the Net Proceeds during the Year are set out in the section headed "Use of Proceeds" in the "Financial Review" of this announcement.

## PURCHASE, SALE OR REDEMPTION OF SHARES

During the Year and up to the date of this announcement, the Company repurchased a total of 1,048,000 Shares (the "**Repurchased Shares**") on the Stock Exchange. Particulars of the Repurchased Shares are as follows:

| **Date of repurchase** | **Number of Repurchased Shares** | **Repurchase price per Repurchased Share** | **Aggregate price paid (before expenses)** |
|---|---|---|---|
| | | HK$ | HK$ |
| 24 July 2024 | 1,048,000 | 0.095 | 99,560.00 |

As at the date of this announcement, all of the Repurchased Shares were cancelled.

Save as disclosed above, there was no purchase, sale or redemption of the Shares by the Company or any of its subsidiaries, and the Company did not hold any treasury shares (within the meaning of the Listing Rules), during the Year.

## CODES FOR SECURITIES TRANSACTIONS BY DIRECTORS AND RELEVANT EMPLOYEES

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "**Model Code**") set out in Appendix C3 to the Listing Rules as its code of conduct regarding directors' securities transactions. All Directors, following specific enquiries made by the Company, have confirmed that they had complied with the required standard set out in the Model Code and its code of conduct regarding directors' securities transactions throughout the Year.

The Company has also adopted a written code of conduct on terms no less exacting than the Model Code for its relevant employees (including all employees of the Company and all directors and employees of the Company's subsidiaries who, because of their office or employment, are likely to possess inside information in relation to the Company or its securities, the "**Relevant Employees**") in respect of their dealings in the Company's securities. All Relevant Employees are required to follow such code when dealing in the securities of the Company.

## CORPORATE GOVERNANCE PRACTICES

The Company has applied the principles of good corporate governance in and adopted all of the code provisions (the "**Code Provision(s)**") of the Corporate Governance Code (the "**CG Code**") set out in Part 2 of Appendix C1 to the Listing Rules as its own code on corporate governance practices.

The Company had complied with all applicable Code Provisions throughout the Year.

The Board is aware that the Company shall comply with the CG Code and any deviation from the CG Code shall be carefully considered and disclosed in the interim and annual reports of the Group. The Board will continue to monitor and review the Company's corporate governance practices to ensure compliance.

## REVIEW BY AUDIT COMMITTEE

The audit committee of the Board has reviewed with the Management the accounting principles and practices adopted by the Group and discussed the auditing, internal control and financial reporting matters, including the review of the annual results of the Group for the financial year ended 31 December 2024.

## SUFFICIENCY OF PUBLIC FLOAT

During the Year and up to the date of this announcement, based on the information that is publicly available to the Company and within the knowledge of the Directors, the Company has maintained a sufficient amount of public float for the Shares as required under the Listing Rules.

## PUBLICATION OF ANNUAL RESULTS AND ANNUAL REPORT

This announcement is published on the website of the Stock Exchange (www.hkexnews.hk) and the website of the Company (www.chuanholdingsltd.com). The 2024 Annual Report containing all applicable information required by the Listing Rules will be available on the aforesaid websites and despatched to the Shareholders in due course.

## EVENTS AFTER END OF YEAR

Save as disclosed below, the Directors confirm that there have been no significant events affecting the Group after 31 December 2024 and up to the date of this announcement:

In order to finance Chuan Investments Pte. Ltd. ("**Chuan Investments**", an associated company of the Group)'s portion (being 30%) of the cash contribution or commitment towards the further capital needs for the redevelopment project of Maxwell House, the 13-storey residential and commercial mixed-use building comprising 145 strata units located at 20 Maxwell Road, Singapore 069113 with a land area of 3,883.3 square metres, on 7 January 2025, Longlands Holdings Limited ("**Longlands**"), a wholly-owned subsidiary of the Company, and Chuan Investments entered into the third further shareholder's loan agreement dated 7 January 2025, pursuant to which Longlands provided to Chuan Investments a third further shareholder's loan (the "**Third Further Shareholder's Loan**") in the amount of S$750,000 on 7 January 2025. The Third Further Shareholder's Loan is unsecured, interest-free and repayable on demand.

## SCOPE OF WORK OF ERNST & YOUNG LLP

The figures in respect of the Group's consolidated statement of financial position as at 31 December 2024, and consolidated statement of comprehensive income, consolidated statement of changes in equity and related notes thereto for the financial year ended 31 December 2024 as set out in this announcement have been agreed by the Company's auditors, Ernst & Young LLP ("**EY**"), to the amounts set out in the Group's audited consolidated financial statements for the Year. The work performed by EY in this respect did not constitute an assurance engagement in accordance with International Standards on Auditing, International Standards on Review Engagements or International Standards on Assurance Engagements as issued by the International Auditing and Assurance Standards Board and consequently no assurance has been expressed by the EY on this announcement.

## APPRECIATION

The Board would like to express its gratitude to all the customers, management and staff of the Group, as well as the business partners and the Shareholders for their continuous support.

By order of the Board
**Chuan Holdings Limited**
**Phang Yew Kiat**
*Chairman and Executive Director*

Hong Kong, 28 March 2025

*As at the date of this announcement, the Board comprises Mr. Lim Kui Teng, Mr. Phang Yew Kiat, Mr. Bijay Joseph and Ms. Ong Sok Hun as executive Directors; and Mr. Wee Hian Eng Cyrus, Mr. Wong Ka Bo Jimmy and Mr. Xu Fenglei as independent non-executive Directors.*